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**AUSTRALIAN  
STATISTICS  
ADVISORY  
COUNCIL**

**Annual Report**

**1977-78**



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**Australian Government Publishing Service  
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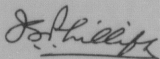


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The Honourable John Howard, M.P.  
Treasurer of the Commonwealth of Australia

I have pleasure in submitting the Report of the Australian Statistics Advisory Council for the year ended 30 June 1978.

The Report outlines the work undertaken by the Council and is submitted to you, for presentation to Parliament, under section 24(2) of the *Australian Bureau of Statistics Act 1975*.



J. G. PHILLIPS  
*Chairman*

3 July 1978

The Council appreciates the helpful assistance given by the Statistician and his officers in providing information sought by members, and the courtesy and efficiency with which secretariat and other services have been provided.

## Australian Statistics Advisory Council Membership as at 30 June 1978

|                      |   |
|----------------------|---|
| Sir John Phillips    | Chairman  |
| Mr R. J. Cameron     | Australian Statistician   |
| Dr L. A. Brodribb    | Managing Director, M. Brodribb Pty Ltd  |
| Sir Samuel Burston   | President, Australian Woolgrowers and Graziers Council  |
| Mr I. Castles        | Under Secretary, Department of the Prime Minister and Cabinet                                     |
| Mr A. S. Colliver    | First Assistant Director-General, Department of Social Security                                   |
| Mr D. J. Delaney     | First Assistant Secretary, Premier's Department, Victoria   |
| Prof. J. McB. Grant  | Professor of Applied Economics, University of Tasmania  |
| Mr W. J. Henderson   | Director-General, National Trade and Industry Council of the Confederation of Australian Industry |
| Prof. M. S. T. Hobbs | Associate Professor of Social and Preventive Medicine, University of Western Australia            |
| Mr R. A. Jolly       | Industrial Advocate, Australian Council of Trade Unions   |
| Mr L. E. McCarrey    | Under Treasurer, The Treasury, Western Australia  |
| Dr W. E. Norton      | Chief Manager, Research Department, Reserve Bank of Australia                                     |
| Mr N. Oakes          | Under Secretary and Comptroller of Accounts, The Treasury, New South Wales                        |
| Mr W. J. Orme        | Executive Member, New South Wales Privacy Committee   |
| Mr R. J. Rechner     | Group Director, The Myer Emporium Ltd   |
| Mr C. R. Rye         | First Assistant Secretary, Department of the Treasury   |
| Mr R. S. Skeates     | Director (Planning and Environment), Co-ordinator-General's Department, Queensland                |
| Mr A. M. Smith       | Director, Economics Division, Department of Economic Development, South Australia                 |

### Changes in Membership since 30 June 1977

|                |   |
|----------------|---|
| August 1977    | Mr Rechner appointed                                  |
| September 1977 | Mr Skeates appointed to succeed Professor R. C. Gates |
| January 1978   | Mr Castles appointed                                  |
|                | Mr Colliver appointed to succeed Mr K. W. Kelly       |

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## 1. Introduction

The Australian Statistics Advisory Council was established by the *Australian Bureau of Statistics Act 1975*.

This is the second annual report of the Council, and is made in accordance with section 24(2) of the Act which provides that: 'the Council shall, as soon as practicable after 30 June in each year, prepare and submit to the Minister, for presentation to the Parliament, a report relating to matters connected with the operation of this Act.'

Under section 18(1) of the Australian Bureau of Statistics Act, the Council is to advise the Minister and the Statistician on:

- (a) the improvement, extension and co-ordination of statistical services provided for public purposes in Australia;
- (b) annual and longer term priorities and programs of work that should be adopted in relation to major aspects of the provision of those statistical services; and
- (c) any other matters relating generally to those statistical services.'

The Act enables the Minister or the Statistician to seek the advice of the Council on these matters. The Council also offers advice on these matters to the Minister or the Statistician when it considers it appropriate to do so.

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## 2. General Comments

The period since the Council was appointed has been one in which the emphasis of Government policy has been strongly on restraining growth in public sector expenditure and public sector employment. Reduced staff ceilings for the ABS (as for most other Commonwealth departments and authorities) have meant broadly that any extension into new or enlarged statistical programs has had to be matched by curtailment or deferment of existing programs. These facts have tended to direct the Council's attention rather more immediately towards priorities and co-ordination, with less emphasis on improvement and extension of statistical services.

The availability of regular statistical information for a wide range of economic and social fields is basic to decision making and planning by Governments and by the private sector, and is thus of great importance to the community generally. If the basic needs of major users of statistics were not met by the ABS there would be a strong tendency on the part of other Commonwealth and State Government agencies as well as major private sector users to collect and process the statistics which were considered essential for their activities. Such a development would work against the benefits of co-ordination, and would almost certainly reduce the comparability (and hence the usefulness) of the statistics collected. It would also increase the burden on respondents, and the overall cost to the community.

Such considerations played an important part in the thinking of the Council during its continuing examination of the work of the ABS. The Council holds the view that continuing constraints on the resources available to the Bureau have already reduced the range and in some cases the quality of the services provided, and that further reductions would be likely to produce the sort of undesirable developments mentioned above.

### **3. Summary of the Year's Activities**

#### **Council Meetings**

During 1977-78 the Council held three meetings in Canberra, on 18 August 1977, 7 December 1977 and 6 April 1978.

The Council discussed a wide range of matters as part of its continuing review of statistical priorities and the work programs of the ABS. Additional subjects of discussion included statistics legislation, and preparations for the 1981 Population Census.

In addition to reports prepared by ABS staff, papers prepared by individual members of Council contributed substantially to the material before the Council.

#### **Statistical Priorities and ABS Work Programs**

The Council's main concern has been the consideration of statistical priorities to be incorporated in the rolling three-year forward work programs of the ABS. Much of its work during the year has been directed towards examining information about the operations of the ABS to enable it to give more detailed advice in the preparation of plans for future programs of work.

#### *ABS forward work program, 1978-79 to 1980-81*

The Council examined the proposed ABS work program for 1978-79 to 1980-81, and was informed of the expected effects of the delay in the acquisition of new computer equipment.

Over the last three years, although there had been reductions in the number of staff employed by the ABS, only limited reductions in the total statistical output had occurred. The Council was informed that this had been achieved by rigorous examination and reappraisal of the use of resources on all ABS activities, and by refusing many requests, well justified on their merits, for new or expanded statistical collections. More recently it had been necessary to cancel or curtail certain projects in order to accommodate projects of higher priority, including preparations for censuses of the construction, retail trade and transport industries. For example, it had been necessary to abandon plans for a wholesale trade census and surveys of labour turnover, household income and expenditure, and consumer finances.

The Council considered that the deletion of the household expenditure survey from the ABS work program was particularly unfortunate because its omission would leave a major gap in statistical information required for government and business decision making, and for social and economic planning and research.

### *Cost of ABS programs*

In response to a request from the Council, the Statistician presented data showing the total ABS expenditure in 1976-77 distributed across the various statistical programs of the ABS. To do this, costs of Bureau-wide service and management functions were allocated to statistical projects approximately according to average use.

The Council welcomed the presentation of cost data and noted the ABS's intention to continue to prepare detailed cost information at the statistical program level.

### *Distribution and pricing of ABS information services*

The Council discussed ABS proposals to establish, in accordance with Government policy, consistent practices for the pricing of information services. The Council noted that the aim was to recover a higher proportion of the costs of the more expensive publications and of special services provided at the request of particular users.

### *Co-ordination of statistical programs*

The Council was informed of machinery established in each of the States to co-ordinate recommendations on State Government statistical priorities and programs of work. It discussed a survey being conducted by the Queensland State Statistics Co-ordinating Committee to obtain information on the statistical activities of State departments and authorities, their use of available statistical collections, and their unsatisfied statistical requirements.

The Council noted that to achieve greater co-ordination of statistics, more information is needed on the statistical collections undertaken by Commonwealth departments.

### *General economic statistics*

The Council noted several suggested improvements in economic statistics including the introduction of a quarterly index of industrial production and the development of a quarterly series for orders received by manufacturers. It also noted that savings could be made by deleting or reducing the frequency of collection of less essential data which were of use mainly to particular industries, for example, very detailed data on building, industrial production, and rural production.

### *Quarterly national accounts estimates*

The Council studied the sources of data used in compiling the domestic production account, the availability of these data on a quarterly basis at the time when preliminary estimates were being prepared, and the major estimation difficulties. Measures of the reliability of the quarterly national accounts and deficiencies in the household income and outlay account were discussed. The Council was told that Australia's experience of revisions to first published estimates of the national accounts was broadly similar to that of other countries.

### *State domestic production accounts*

The Council noted the strong demand from some State Governments for State domestic production accounts. It acknowledged the high resource cost and the

difficult statistical problems that would be involved in producing annual economic accounts for each of the States. The Council discussed the indicators of economic activity that were available for each State, most of them on a seasonally adjusted basis, and suggested that the Statistician should look into the possibilities of providing a greater range of economic indicators at the State level.

### *Interstate trade statistics*

The scope and methodology of interstate trade collections conducted by the ABS for Tasmania, Western Australia and Queensland and a national interstate freight movements collection were examined in some detail. The Council discussed the extent of the continuing need for the collections in their present form, how the detailed results were used, the resource cost and the burden on respondents.

### *Labour statistics*

The Council considered suggested developments in available statistics of industrial disputes, weekly earnings, unemployment, and job vacancies, and examined whether they could be put into effect without making additional requests for information from employers and other sources.

### *Rural statistics*

The Council discussed the range of statistics available for the agricultural sector, and suggested further examination of the adequacy of statistics of rural employment. It noted that major users had been consulted about the proposed reduction in frequency of the agricultural finance survey.

### *Estimates of population*

The Council examined the problems involved in preparing detailed intercensal estimates of population, and was briefed on the research being undertaken into improving the estimates. It also discussed the need to co-ordinate work on the preparation of State and regional population projections. The Council agreed that population estimates constituted an important area of statistical activity and that every effort should be made to improve the quality and timeliness of the statistics.

### *Health statistics*

The Council discussed measures being taken to overcome problems in the development of adequate health statistics for Australia, and was informed of co-operation between the ABS and State and Commonwealth health authorities, in conjunction with the National Committee on Health and Vital Statistics.

## **Review of Statistics Legislation**

The Council examined the need for amendments to the legislation covering the activities of the ABS, and commented on possible amendments under investigation by the ABS aimed at solving some of the problems encountered in operating under the present legislation.

Subsequently the Council was briefed on the results of consultation between the ABS and Commonwealth Government authorities concerning the proposed amendments, and noted that the Bureau was to seek the views of State authorities.

The Council suggested that it was desirable to keep the discretionary powers of the Statistician to the minimum required for the efficient collection, processing and dissemination of statistics.

### **Preparations for the 1981 Census of Population and Housing**

The Council maintained a continuing interest in preparations for the 1981 Census. It was informed of trials conducted by the ABS to test proposed methods and procedures for the Census, including the asking of some questions on a sample basis only.

The Council was also briefed on progress in the assessment of submissions to the ABS on topics for inclusion in, or exclusion from, the Census. The matter will be discussed again by the Council when work on the selection of topics is further advanced.

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